

1 Q Longer than that, sir.

2 A (FARRELL) So, obviously, you're talking about the  
3 hearing itself. If that's what you're talking  
4 about, yes. I know there was a letter. I haven't  
5 -- I don't have it in my head, but, yes, there was  
6 a letter from Speaker Lucas.

7 Q Would you agree that it says that -- that he refers  
8 to your latest Dominion Alternative Plan, and he --  
9 he references that and lends -- almost sounds as if  
10 he's lending his support to that? Would you agree  
11 with that?

12 A (FARRELL) I -- sir, I'm not trying to avoid your  
13 -- I hate to characterize something that the  
14 Speaker said, but I hope that's what its intent  
15 was.

16 Q Well, and where I'm going with the -- the public  
17 trust isn't specifically in that letter. Let --  
18 let me just kind of tell you where I'm going with  
19 that. I'm -- I'm from a rural county just north of  
20 here, which happens to be the home county of where  
21 the two nuclear units were.

22 A (FARRELL) Yes, sir.

23 Q People in my county can't pay their power bills.  
24 They struggle, day to day, and, on top of that,  
25 6,000 jobs -- nearly 6,000 jobs were lost when

1           these two units were abandoned. So those folks,  
2           and along with all the other ratepayers in this  
3           jurisdiction, have lost trust, and, as you've said  
4           yourself, there's a lot of angst. It's going to  
5           take some -- would you agree that it's going to  
6           take some time, as you've said, to rebuild that  
7           trust?

8    A       (FARRELL) Yes, sir.

9    Q       Where I'm going with the letter -- where I'm going  
10           with the letter, if the Commission were to go down  
11           that road with that plan, that plan does not --  
12           while it does offer a little bit more than the  
13           other plan, the -- B, it goes a little further in  
14           helping the ratepayer on a long-term basis, and we  
15           certainly want long-term relief for the ratepayer.  
16           But the promise of the \$1,000 average rebate that's  
17           been advertised here in this state for so long is  
18           gone. And how do you explain -- how -- I think Ms.  
19           Edwards asked you, would you have -- how do you  
20           explain that to ratepayers without further eroding  
21           public trust?

22   A       (FARRELL) I think that's a more than fair  
23           question, a very important one, and I tried to  
24           address it in my summary, but let me answer you  
25           very directly. If the Commission were to choose

1 Plan B -- approve the merger, and Plan B was a part  
2 of that, that falls to -- we will own that -- we  
3 proposed the alternative. We will support it, and  
4 we will advertise in support of it. And I think I  
5 mentioned yesterday that we'd be happy to share our  
6 communication plan with ORS. Becomes our plan,  
7 sir, not yours.

8 Q I understand what you're saying, but there's just a  
9 lot of angst here. Fortune 500 company, been here  
10 a long time, and, all of a sudden, Big Daddy, you,  
11 is going to be in Virginia, not here. And how do  
12 we -- how do we come back and explain this to  
13 ratepayers? And we certainly want long-term relief  
14 for them, but how do we explain -- when do they  
15 think the misleading stops? How do we turn this  
16 around?

17 A (FARRELL) I think it's going to take time. I  
18 don't think -- because, like I said yesterday, and  
19 again this morning, it's -- this is too important  
20 for people to pretend, and I'm glad you're --  
21 you're asking these questions. It's going to be  
22 hard work, and it's going to take time, and we  
23 didn't, obviously, cause the -- I know everybody  
24 knows that: We didn't cause the situation that we  
25 -- that we find ourselves in. We are trying to --

1 to -- we've proposed a solution that we think is in  
2 the best interest. It's your decision to make,  
3 obviously, whether it's better to have a -- have  
4 SCANA merged into another company. We think it  
5 makes a lot of sense, but I recognize that it's  
6 going to be hard work, and it's been quite obvious  
7 to me, over the course of this year, how upset  
8 everybody is in this state, and it's completely  
9 understandable. And I can't wash away the debt. I  
10 wish -- I wish we could come up with a solution  
11 that did that; we cannot. We cannot do that and  
12 make it work for us, but we will work very hard.  
13 Still the same linemen and the folks that work on  
14 the gas lines and the people in the call centers  
15 that will be out in the community, who I think  
16 people do trust. I hope they do. And we will do  
17 everything we can to bring trust back at the top of  
18 the Company.

19 Q Let me ask one more kind of in a specific way. How  
20 do we -- how do you balance long-term relief with  
21 still helping ratepayers in the short-term?

22 A (FARRELL) Well, we -- we tried to do that with  
23 Plan A, which does have -- I believe it's a  
24 7 percent rate reduction in it that lasts, I think,  
25 it's eight years and then it starts reducing again,

1 with the up-front payment. But I understand folks'  
2 interest in getting the rates down on a long-term  
3 basis. And that's -- you have this issue that was  
4 raised earlier about folks that have left the  
5 system, you know -- you know, whether somebody who  
6 just showed up -- a South Carolina student shows up  
7 in the fall and they're a brand-new customer, are  
8 they going to get a check for \$1,000? I'm sure  
9 they'd enjoy that, but they didn't participate in  
10 it. There's -- there's a lot of -- I understand  
11 there's a lot of practical issues around that  
12 refund. But, if you want to have the long-term  
13 much more significant rate reduction than the up-  
14 front payment, can't figure out how to make that  
15 work.

16 Q Well, thank you for your answers, and thank you for  
17 your time. I certainly meant no disrespect.  
18 There's just been a lot of --

19 A (FARRELL) I understand.

20 Q -- a lot of angst here on our side for a long time.

21 A (FARRELL) I understand.

22 Q So thank you, Mr. Farrell. Thank you, Mr. Blue.

23 COMMISSIONER WHITFIELD: Thank you,  
24 Mr. Chairman.

25 THE WITNESS: Thank you, sir.